



## COUNTY OF LOS ANGELES DEPARTMENT OF CONSUMER AFFAIRS

GLORIA MOLINA YVONNE BRATHWAITE BURKE ZEV YAROSLAVSKY DON KNABE MICHAEL D. ANTONOVICH

> PASTOR HERRERA, JR. DIRECTOR

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June 21, 2002

To:

SUPERVISOR ZEV YAROSLAVSKY, Chairman

SUPERVISOR GLORIA MOLINA

SUPERVISOR YVONNE BRATHWAITE BURKE

SUPERVISOR DON KNABE

SUPERVISOR MICHAEL D. ANTONOVICH

From:

Pastor Herrera, Jr.

Director

Subject:

ADELPHIA COMMUNICATIONS CORP.

Adelphia Communications Corp. (Adelphia) is the parent corporation which possesses 13 cable television franchises in the unincorporated areas of Los Angeles County (see attachment). As your Board may be aware, Adelphia is in serious financial trouble and the filing of a Chapter 11 Bankruptcy appears imminent.

The County receives approximately \$120,000 per month in cable television franchise fees from Adelphia. Presently, Adelphia is current in their payment of their franchise fees to the County. However, other local franchising authorities have reported that Adelphia is late in their payment of franchise fees to them.

While a subsidiary of Adelphia Communications Corporation has already filed bankruptcy, this did not effect any of the Southern California franchises. Nonetheless, it now appears that Adelphia will file bankruptcy and this will involve their franchises nationwide.

Yesterday, members of my staff attended a conference with other local governments to discuss Adelphia and the issues surrounding a bankruptcy filing. Many local Southern California government entities, including the City of Los Angeles, are facing similar concerns about Adelphia's impending bankruptcy filing. At the conference, attendees representing local government proposed forming a committee to address these issues collectively. Our Department will be involved in the local committee which will keep us apprised of developments effecting Southern California communities.

While it is difficult to speculate what impact Adelphia's financial difficulties and bankruptcy will have on subscribers, it is unlikely that cable television service in the Adelphia-Los Angeles County franchise areas would be interrupted. Even so, we are monitoring subscriber related issues including service requests and we are not receiving an increase in our normal volume of subscriber complaints. In addition, we are investigating a report that there may be issues related to Adelphia contractors leaving work in progress due to nonpayment of wages.

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We will continue to monitor this situation closely and will keep you informed of further developments.

Should you have any questions, please have your staff contact me at 213-974-9750 or Fern Taylor of my staff at 213-974-2711.

## PH:FT:EL

Attachment: Adelphia franchise areas in unincorporated Los Angeles County

cc: Chief Deputy, Each District
Angie Castro, Deputy, First District
Ta'Shara N. Murray, Deputy, Second District
Adinah Solomon, Deputy, Third District
Dick Simmons, Deputy, Fourth District
Angela Mazzie, Deputy, Fifth District
David E. Janssen, Chief Administrative Officer
Lloyd W. Pellman, County Counsel
Lillian Salinger, Deputy County Counsel
J. Tyler McCauley, Auditor-Controller

## Attachment

Adelphia franchises in the Unincorporated Areas of Los Angeles County

AREA	SUPERVISORIAL DISTRICT	NUMBER OF SUBSCRIBERS
Hacienda Heights*	1,4,5	16,465
La Habra Heights*	4	1,287
Marina Del Rey*	4	1,888
South Whittier*	1,4	6,818
Walnut Park	1	766
Green Valley	5	1,110
Littlerock	5	5,229
Acton	5	962
Glendora*	5	268
Agoura*	3	58
Palmdale	5	5,760
East Los Angeles	1	8,773
Rowland Heights*	1,4	7,588

<sup>\*</sup>Century-TCI Partnerships